

AR36

report
on
canadian operations
1967



The
PRUDENTIAL
Assurance Company Limited

Canadian Head Office
635 Dorchester Boulevard West
Montreal

Chief Office
Holborn Bars
London

The Company's Coat of Arms

The coloured aluminium plaque of the Prudential's coat of arms hanging over the main entrance of the Company's Head Office for Canada in Montreal has attracted considerable attention. The arms have historic origin and significance.

The bars on the shield refer to the ancient "Holborn Bars", one of the gateways to the old City of London, near the site of which the Company's Chief Office now stands, the six red martlets come from the shield of the founder of Furnival's Inn which formerly stood on the same ground. The female figure is that of Prudence, and the hourglass standing on the oak stump, which represents the tree of life, alludes to the principal business of the Company.

On peut obtenir sur demande un exemplaire français de la présente brochure

A report from the General Manager for Canada



H. D. McNAIRN, M.B.E., Q.C.

I am happy to report that the year 1967 was one of solid accomplishment for The Prudential in Canada. We were proud also to have made our contribution to the Centennial Year. Despite the levelling off which has been evident in our economy both the Life Branch and the Fire and Casualty Branch showed satisfactory progress. Present inflationary trends, of which one manifestation is the rise in the cost of living, remind us that sound financial planning for the future, both in personal and business affairs, is more necessary now than ever before. We are glad therefore that more people are turning to Prudential Assurance for counsel on these important matters.

In order to meet the ever-changing demands of today's conditions and people we are constantly improving existing products and developing new ones. During the past year in the Life field the super-compound method of allotting bonus additions was introduced, a conversion option was added to the already popular Prudential Economic Protection and preparations were made for a new Equity Investment Benefit, available as an option to holders of participating policies.

In the Fire and Casualty area we are guided by the principle that as large a proportion of the premium dollar as possible must be available to meet claims and we are happy to report continued progress towards this objective.

This planned program of product development, coupled with the willing service and guidance on financial matters, given by The Man from the Prudential, is helping to maintain what we feel is one of our greatest assets — a close personal link with all our policyholders. It is a great tribute to our staff and agents everywhere that we have been able to achieve this; without their dedication it would not have been possible.

Canadian Management

H. D. McNAIRN, M.B.E., Q.C.,
General Manager for Canada

C. E. JACK, B.A., F.C.I.A., F.S.A.,
Actuary for Canada and
Executive Assistant

A. P. BODILEY, M.B.E., F.C.I.I.,
Executive Assistant to the
General Manager for Canada

I. D. MAIR, F.C.I.I.,
Fire and Casualty Manager
for Canada

B. J. STANDISH, D.F.C.,
Secretary for Canada

Executive Officers

E. M. DELVES, F.L.I.C.,
Assistant Manager
Life Administration

L. H. HALL, C.A.,
Data Processing Executive

J. H. C. LAING, B.A., A.C.I.S.,
Senior Superintendent of
Life Agencies for Canada

G. H. MILLER, B.A., B.COMM.,
Assistant Fire and Casualty
Manager for Canada

J. J. ROWEN, A.I.L.C.,
Assistant Fire and Casualty
Manager for Canada

R. H. ANDERSON, B.A., C.L.U.,
Superintendent of Life Agencies

C. E. DEJEAN, F.L.I.C., A.C.L.U.,
Superintendent of Life Agencies

B. B. DIBBEN, M.A., F.I.A., F.C.I.A.,
Associate Actuary

M. J. HOLDEN, F.R.I.C.S.,
Real Estate and Mortgage Executive

P. P. MUSTARD, F.I.L.C.,
Publicity Executive

R. McNEILL, A.C.L.U.,
Superintendent of Life Agencies

D. W. PARKIN, M.A., F.I.A., F.C.I.A.,
Investment Executive

A. F. SCHARFF, F.I.A., F.C.I.A.,
Associate Actuary

R. M. WHITBY, F.F.A., F.C.I.A.,
Associate Actuary

Agency Advisory Board (Life)

*PAUL AUDET, B.A., C.L.U.,
Quebec

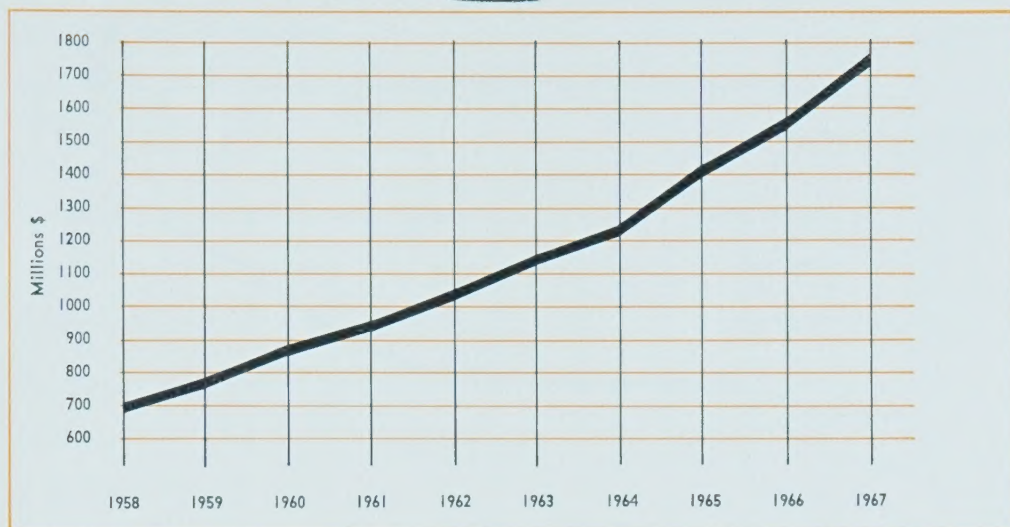
WM. BENSON, B.SC., C.L.U.,
Windsor

*ANTOINE DESMARAIS, C.L.U.,
Montreal

G. G. WALLACE, B.COMM., C.L.U.,
Vancouver

* Special Consultant (Life) to the Company in Canada.

Progress of the Life Branch in 1967



Significant figures — Canadian Business

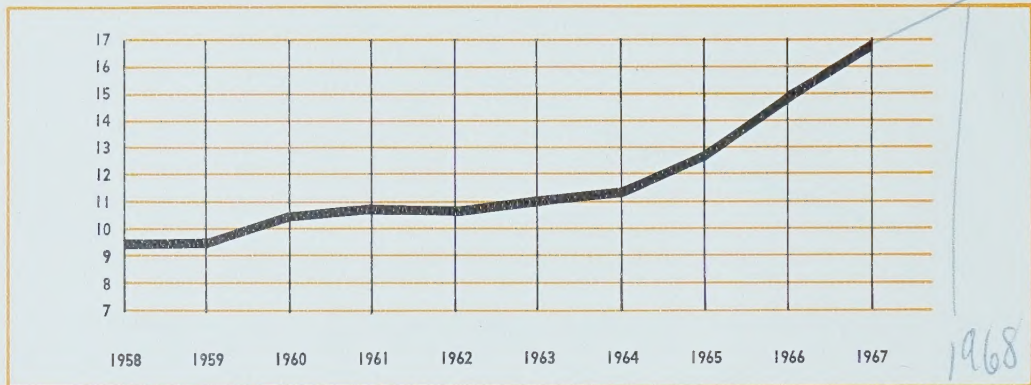
	1967	1966
Total business in force at 31st December	\$1,730,000,000	\$1,550,000,000
Group Life & Annuity business in force (included above)	358,000,000	314,000,000
New Life & Annuity business during year*	226,000,000	209,900,000
Total premium income including single premiums	32,460,000	27,530,000
Single premium income	4,360,000	1,730,000
Payments to policyholders and beneficiaries	21,000,000	19,100,000
Amount allocated for policyholders' dividends	9,000,000	8,100,000
Policy reserves	199,900,000	179,600,000
Number of individual Life contracts in force 31st December	155,900	149,000
Number of individuals insured under Group plans	44,690	39,708

Our business continued to grow at a satisfactory rate in 1967. Sums assured increased by 11% and new annual premium income was higher by 9%.

The challenge of adapting our products to suit ever changing economic conditions and the needs of people today is one which constantly faces us. During 1967 we introduced several such improvements, of which the following are noteworthy: the raising of the amount of insurance which may be purchased without medical examination; the increased rate of return granted to current purchasers of our annuities; and the introduction to new and existing holders of Prudential Economic Protection of an option to convert the temporary cover to fully participating insurance. This latter feature fills a demand already expressed and makes this policy an even better basis for a sound life insurance program, particularly for young Canadians.

The Fire and Casualty Branch in 1967

Earned premiums in millions



The growth of the Fire and Casualty Branch continued at a rapid and satisfactory rate in 1967. Premium income increased by just over 19% and an underwriting profit was made in a year when inflation was evident. During the past year Automobile insurance has been the subject of intense and frequent scrutiny by public authority in many provinces. This is good and can only lead to improvement in the form of cover and the value of this type of protection. We have been successful in achieving improvement and streamlining in our internal methods and service and this has produced a reduction in our expense ratio.

Policyholders' Investments at Work

(Life, and Fire and Casualty)

The assets of the Prudential in Canada at the end of 1967 were as follows :

		<i>% of Portfolio</i>
Federal and Provincial Government Bonds	\$ 59,000,000	26.9
Municipal and School Bonds	13,000,000	5.9
Corporate Bonds	16,000,000	7.4
Common and Convertible Preferred Stocks	29,000,000	13.2
Real Estate and Mortgages	85,000,000	38.8
Policy Loans and Cash	17,000,000	7.8
	\$219,000,000	100.0%

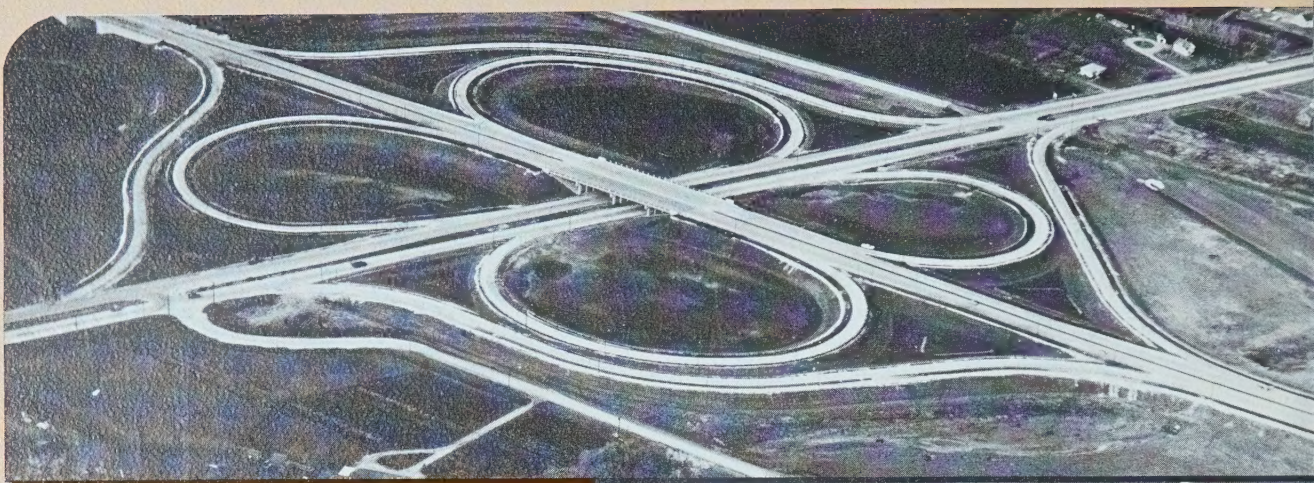
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These investments are constantly growing from year to year and continue to provide earnings which, over the years, add substantial paid-up insurance amounts to the value of participating policies. They are held on behalf of Canadian policyholders and administered under the guidance and advice of the Canadian Investment Committee. All investments made comply with the requirements of the Canadian and British Insurance Companies Act.

During 1967 the total of real estate and mortgages outstanding rose by \$10 millions with investments being made in office, apartment, store and hotel properties as well as single family dwellings from coast to coast. The major portions of our mortgage activity in 1968 is being directed towards the housing sector, thereby assisting in the provision of sorely needed accommodation for the Canadian public.

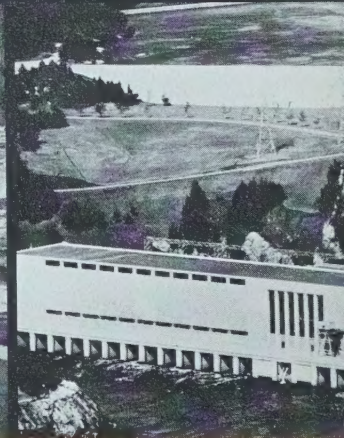
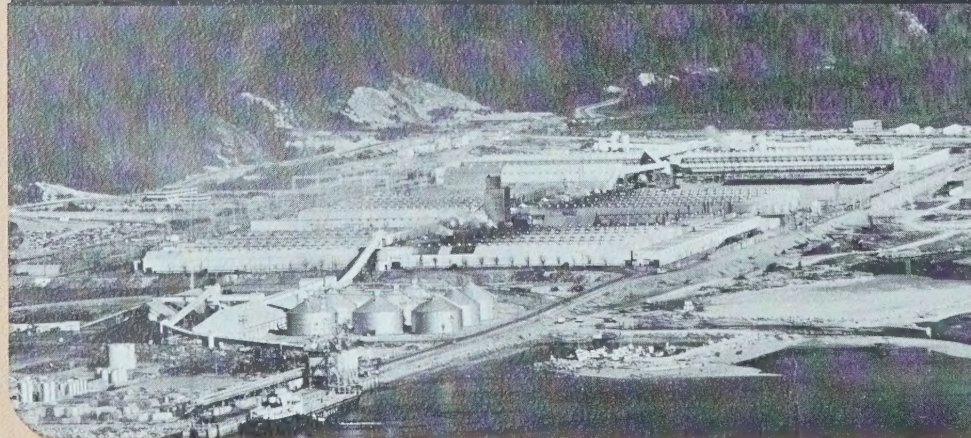
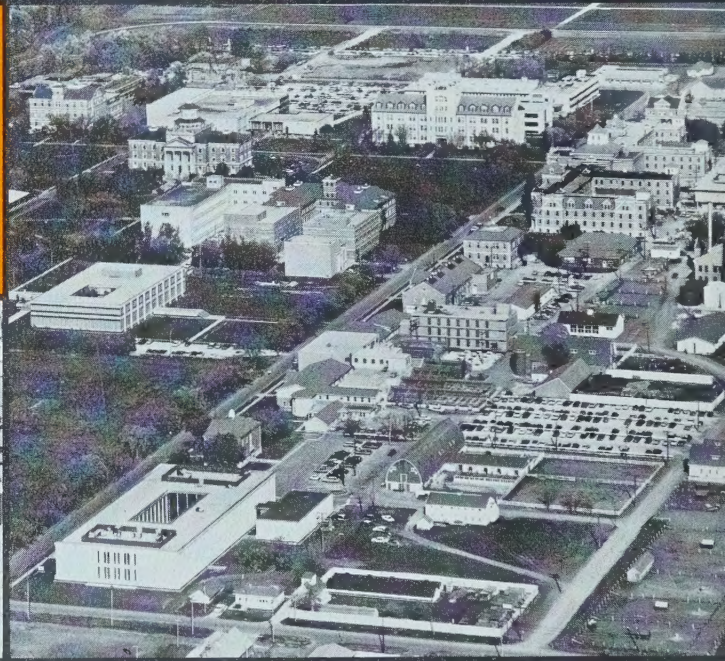
In making funds available for investment the Company has always been guided by the principle of long term stability. The school that your children attend or the hospital where the latest member of the family arrived may well have been helped by Prudential investment. Industry in your community, provincial road building programs — these are all indicative of the type of investment made. It is in this way that these funds serve two objects — money is earned on behalf of participating policyholders and secondly, communities and people across Canada benefit through the financing of industry and public projects.

The Prudential is proud of its reputation as an investor. The long and successful experience built up over many years in the conduct of world-wide operations supports and guides investment policy today.



Policyholders' Investments at Work

These developments are typical of the many ways in which policyholders funds are put to work across Canada



Life Assurance at Work

The need for life insurance is everywhere — its value in fulfilling family responsibilities is well demonstrated by the following story from our files.

Claim file 127-90835

In this case the need arose before the policy had even been issued.

One of our agents in Ottawa had recently met a young father who was convinced that he needed insurance on his newly born son. In the discussion that followed it became apparent that what was really needed was well planned Life insurance protection on the father — he had none.

As a start to a program which would develop in keeping with needs and circumstances a Family Policy, insuring all present and future members of the family, was applied for and the first premium paid. All details appeared to be in order and as the declaration of medical history showed no previous illnesses the case was one which would not require an examination by one of the Company's doctors.

Two days after signing the application papers the young man suffered a fatal heart attack.

The widow's sad loss can never be replaced but in forwarding her a substantial cheque in settlement of the death claim we were glad to have been the means of helping her to face the future with some financial security.



Bonus Additions—an Accumulating Asset

The holders of Prudential Assurance participating policies shared in the success of the Company in 1967 to an even greater extent than in previous years due to the introduction of the new super-compound bonus system. Prudential dividends to participating policyholders are allotted annually in the form of paid-up additions to the designated sum assured or annuity. This improved method of distribution will be continued, and, for the year commencing 1st July 1968 will again be \$21 per \$1,000 of sum assured plus \$24 per \$1,000 of existing bonus.

In the last ten years the total of bonus sums assured allocated to participating policyholders has totalled nearly \$89 millions. There is much to be said for leaving bonus additions with the policy. The example at the bottom of this page shows how compounding of the bonus provides an accumulation which grows by an increasing amount over the years. The value of this as a hedge against the rise in the cost of living is evident both in the increasing total sum assured and total cash values of the policy.

The total of this year's declaration has a value of over \$9 millions.
Total of Bonus Additions allocated.



The following example indicates clearly the value of Prudential's super-compounding bonus system at maturity or death when applied to a policy of \$10,000 sum assured.

	After 10 years*	20 years*	30 years*
basic bonus	\$ 2,100	\$ 4,200	\$ 6,300
bonus on bonus	241	1,110	2,774
basic sum assured	10,000	10,000	10,000
	\$12,341	\$15,310	\$19,074

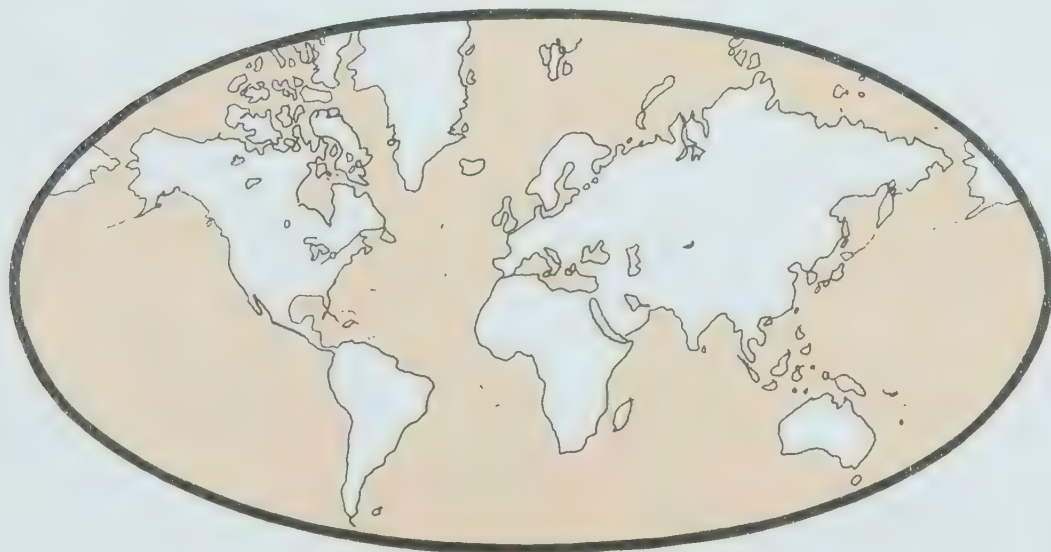
* These are results which would emerge if the 1967 scale of bonuses continued to apply throughout the period indicated, and if no bonuses were surrendered. The bonus figures are NOT guarantees.

World-Wide Operations 1967

The Prudential Assurance Company Limited was founded in 1848 and over the intervening years has become one of the largest financial institutions in the world. It has achieved this success because it has provided insurance programs that are constantly being modified and improved to meet the conditions of the day.

Branches and agencies represent the Company in 38 countries. All classes of insurance are transacted. In Canada the Fire and Casualty Branch has been operating since 1923 and the Life Branch since 1930.

Life premium income	\$ 534,100,000
Life contracts in force	27,600,000
Life business in force	\$17,424,000,000
Fire and Casualty premium income	\$ 97,000,000
Total assets at December 31st	\$ 4,861,900,000
Income from all sources	\$ 968,000,000



Offices in Canada

Life

CALGARY, ALTA.

J. R. HOLLIDAY, C.L.U.
1009 7th Ave. S.W.
Telephone 262-4607

EDMONTON, ALTA.

E. B. ABELE, C.L.U.
3 Sir Winston Churchill Sq.
Telephone 424-2196

HALIFAX, N.S.

G. R. K. LYNCH, B.A., LL.B., C.L.U.
5600 Sackville St.
Telephone 423-9341

J. F. MILLER, C.L.U.
5525 Artillery Place,
Telephone 423-1211

T. A. MACPHERSON,
*Group Pension and
Regional Service Office,*
6009⁺ Quinpool Rd.
Telephone 423-9391

HAMILTON, ONT.

H. CLEGG, C.L.U.
20 Hughson St. S.
Telephone 527-1573

J. M. SHAW, C.L.U.
135 James St. S.
Telephone 528-0013

KINGSTON, ONT.

D. MUMBY, C.L.U.
844 Princess St.
Telephone 546-6608

KITCHENER-WATERLOO

J. E. BARTON
75 King St. S.
Waterloo
Telephone 744-4454

LONDON, ONT.

F. F. J. DEMUY, B.A., C.L.U.
291 Dundas St.
Telephone 432-2666

Fire & Casualty

T. E. WARD, A.I.I.C.
608 7th St. S.W.
Telephone 263-0320

D. G. CRAIB, A.I.I.C.
Resident inspector,
9912 106th St.
Telephone 422-7137

H. C. PRATT,
*Resident Claims Adjuster
Workmen's Compensation,*
9912 106th St.
Telephone 422-7137

G. F. BRADY,
5212 Sackville St.
Telephone 422-8338

K. G. CAMPBELL,
Resident Inspector,
482 Beverley Drive,
Burlington
Telephone 637-9958

J. MILLIER,
Resident Inspector,
562 Wellington St.
Telephone 433-9521

Life

MONTREAL, QUE.

- G. C. BAKER,
3300 Cavendish Blvd.
Telephone 489-4937
- K. H. BORMAN,
1118 St. Catherine St. W.
Telephone 861-7437
- P. BOUTHILLIER, C.L.U.
635 Dorchester Blvd. W.
Telephone 861-8351
- GUY CHARRON LTÉE
630 Dorchester Blvd. W.
Telephone 861-3348
- J. GUINDON, C.L.U.
110 Cremazie Blvd. W.
Telephone 382-2271
- G. M. HOWE, C.L.U.
3333 Queen Mary Road,
Telephone 731-9476
- A. LeBLANC,
110 Cremazie Blvd. W.
Telephone 384-6736
- A. MILOT,
801 Sherbrooke St. W.
Telephone 527-9871
- P. J. STEIN,
5450 Côte des Neiges Road,
Telephone 731-3551
- J. VINET,
50 Cremazie Blvd. W.
Telephone 381-9248
- K. J. TAYLOR,
Group & Pension,
635 Dorchester Blvd. W.
Telephone 868-2361
- D. DESROSIERS,
Regional Service Office,
2085 Union Avenue,
Telephone 849-9206

OTTAWA, ONT.

- H. E. POLLOCK,
224 Laurier Ave. W.
Telephone 232-3525

Fire & Casualty

- J. J. DELORME,
635 Dorchester Blvd. W.
Telephone 868-2361

- E. C. RICKERBY,
Resident Inspector,
465 Gilmour St.
Telephone 234-3213

Life

QUEBEC, QUE.

PAUL AUDET, B.A., C.L.U.

J. CLAUDE PATRY,
Associate Manager,
2 Avenue Chauveau,
Telephone 522-8187

GASTON BORDUAS,
Group & Pension,
2 Avenue Chauveau,
Telephone 522-8187

SASKATOON, SASK.

R. B. NEUFELD, C.L.U.
2nd Ave. & 21st St.
Telephone 652-7668

SHERBROOKE, QUE.

TORONTO, ONT.

L. APPLEBAUM, C.L.U.
801 Eglinton Ave. W.
Telephone 787-5651

J. C. DOW, C.L.U.
2200 Yonge St.
Telephone 487-4441

N. H. EVELY, B.COMM., C.L.U.
2200 Yonge St.
Telephone 487-4441

T. R. FLEMMING,
55 York Street,
Telephone 364-9323

W. L. JONES, C.L.U.
797 Don Mills Road,
Don Mills.
Telephone 429-2545

C. F. W. LEGGATT,
1185 Brimley Road,
Scarborough.
Telephone 291-3721

MURRAY & Co. LTD.
158 University Ave.
Telephone 366-8801

H. G. SAYERS,
1262 Don Mills Road,
Don Mills.
Telephone 449-6303

L. MITCHELL,
Group & Pension,
40 St. Clair Ave. W.
Telephone 929-3147

E. E. G. NOAKES,
Regional Service Office,
40 St. Clair Ave. W.
Telephone 929-3106

Fire & Casualty

R. LÉGER,
Resident Inspector,

G. TANGUAY,
Resident Inspector,
845 St. Cyrille St. W.
Telephone 683-3469

G. GAUTHIER,
Resident Inspector,
111 King St. W.
Telephone 569-9324

H. R. ELGIE,
Workmen's Compensation,
80 Richmond St. W.
Telephone 366-3021

H. O. STINTON,
55 York St.
Telephone 366-3021

Life

Fire & Casualty

VANCOUVER, B.C.

G. G. WALLACE, B.COMM., C.L.U.
890 West Pender St.
Telephone 685-3232

D. F. FAIRWEATHER,
Group & Pension,
890 West Pender St.
Telephone 685-3232

C. SMITH, V.R.D., F.C.I.S., F.C.I.L.
470 Granville St.
Telephone 684-6441

WINDSOR, ONT.

WM. BENSON, B.SC., C.L.U.

M. BENSON, B.SC., C.L.U.
Assistant Manager,
500 Ouellette Ave.
Telephone 253-7401

J. R. FOX,
Group & Pension
500 Ouellette Ave.
Telephone 253-7401

WINNIPEG, MAN.

W. J. SIMMIE, C.L.U.
208 Edmonton St.
Telephone 942-3466

R. A. STOCK, A.I.I.C.
208 Portage Ave.
Telephone 942-7326

SPECIAL CONSULTANTS TO THE COMPANY - LIFE

PAUL AUDET, B.A., C.L.U.
2 Ave. Chauveau
Quebec
Telephone 522-8187

ANTOINE DESMARAIS, C.L.U.
635 Dorchester Blvd. W.
Montreal
Telephone 868-2361

AGENCY SERVICE CONSULTANTS --LIFE AGENTS

Y. AUDET, B.SC.C.
H. MENASCE
635 Dorchester Blvd. W.
Montreal
Telephone 868-2361

LIFE CONSULTANTS TO FIRE & CASUALTY AGENTS

T. DECYK
55 York St.
Toronto
Telephone 366-3021

R. MORISSETTE
635 Dorchester Blvd. W.
Montreal
Telephone 868-2361

These are the principal types of policies written by the Prudential

LIFE

Whole Life, Endowment, Term, Prudential Economic Protection, Family Income, Double Protection, Family Plan, Guaranteed Insurability, Dividend Equity Investment Benefit, Children's Insurance, Retirement Annuities, Immediate Annuities, Group Pension, Group Life, Group Family Income, Group Dependents' Cover.

FIRE

Earthquake, Explosion, Riot, Sprinkler Leakage, Windstorm, Profits, Use and Occupancy, Rents, Earnings, Tenants' Legal Liability.

CASUALTY

Employers' Liability, Workmen's Compensation, Public Liability, Plate Glass, Burglary and Robbery, Boiler and Machinery, Fidelity and Surety.

ACCIDENT AND HEALTH

Accident and Sickness, Group Accident, Income Protection, Major Medical Expense.

AUTOMOBILE

Private and Commercial Auto, Non-owned Liability, Garage Liability.

MULTI-PERIL

Transportation, Accounts Receivable, Valuable Papers, Salesman's Samples, Bailee's Customers, Exhibitions, Fine-Arts, Furriers' Storage and Certificates, Contractors' Equipment, Installation Floaters, Householders, Personal Property Floaters, Valuable and Personal Articles.

HAIL

